



AF ENTERPRISES LTD.

CIN No.: L18100BL1983PLC016354

An ISO 9001:2015 Certified Co.

Mfrs. of Plastic Moulded Components

Date: 9th November, 2020

To,
BSE Limited
Phiroze Jeejeebhoy Towers,
Mal Street,
Mumbai - 400 001,
Maharashtra, India

Ref: A F Enterprises Limited (Script Code: 538351)
Sub: Submission of Revised Annual Report for the FY 2019-20

Dear Sir/s

We would like to bring to your kind knowledge that in the Annual Report for the Financial Year 2019-20 submitted to BSE pursuant to Regulation 34(1) of SEBI (Listing and Disclosure) Regulations, 2015 vide letter dated 7th September, 2020, there were some typing errors due to which we are hereby submitting revised Annual Report for the FY 2019-20.

We further submit that the mistake was made inadvertently without any mala fide intention. We therefore request to kindly accept the revised Annual Report for the FY 2019-20 and take the same in your records.

For A F Enterprises Private Limited


Mr. Abhishek Singh
Whole Time Director
DIN 03603706

Regd. Office:

DSM-334, DLF Tower,
Shivaji Margh, Najafgarh Road,

Factory:

Plot No. 8, Sector-5, Mathura Road,
Ballabgarh, Faridabad,

A F ENTERPRISES LIMITED 37th ANNUAL REPORT F.Y. 2019- 2020

“The Future belongs to the competent Get Good, Get Better, Be the Best” - Brian Tracy



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SCHEDULE OF 37TH ANNUAL GENERAL MEETING

DATE	30 th September, 2020
DAY	Wednesday
TIME	10.00 A.M.
PLACE	through Video Conferencing / Other Audio Video Means (VC/ OAVM) facility
BOOK CLOSURE DATE	24 th September, 2020 - 30 th September, 2020 (both days inclusive)



COMPANY INFORMATION

BOARD OF DIRECTORS & KMP AS ON 31st March, 2020

MR. ABHISHEK SINGH (WHOLE TIME DIRECTOR & CHIEF FINANCIAL OFFICER)
MR. SANTOSH KUMAR KUSHAWAHA (NON EXECUTIVE DIRECTOR)
MR. PRERNA SETHI (INDEPENDENT DIRECTOR/CHAIRPERSON)
MR. TINKU KATHURIA (INDEPENDENT DIRECTOR)

STATUTORY AUDITORS
M/S V.N PUROHIT & CO
(CHARTERED ACCOUNTANTS)

SECRETARIAL AUDITORS
M/S SANDEEP JOSHI & ASSOCIATES
(COMPANY SECRETARIES)

INTERNAL AUDITORS
CA ANIL KUMAR, PARTNER
M/S AKNS & COMPANY
(CHARTERED ACCOUNTANTS)

REGISTRAR & TRANSFER AGENT
SKYLINE FINANCIAL SERVICES PVT LTD
D-153 A, First Floor, Okhla Industrial Area
Phase - I New Delhi-110020

BANKER
KOTAK MAHINDRA BANK LTD.

REGISTERED OFFICE OF THE COMPANY

DSM-334, DLF TOWERS, SHIVAJI MARG, NEW MOTI NAGAR, DELHI-
110015

FACTORY CUM CORPORATE OFFICE:
PLOT NO. 8, SECTOR-5, MATHURA ROAD, BALLABGARH,
FARIDABAD-, HARYANA, 121006

COMMETTEE OF BOARD OF DIRECTORS AS ON DATE

AUDIT COMMITTEE

Mr. TINKU KATHURIA	Independent Director, Chairman
Mr. Abhishek Singh	Executive Director, Member
Ms. Prerna Sethi	Independent Director, Member

NOMINATION AND REMUNERATION COMMITTEE

Ms. Prerna Sethi	Independent Director, Chairperson
Mr. Tinku Kahturia	Independent Director, Member
Mr. Santosh Kumar Kushawaha	Non Executive Director, Member

STAKEHOLDERS RELATIONSHIP COMMITTEE

Ms. Prerna Sethi	Independent Director, Chairperson
Mr. Tinku Kathuria	Independent Director, Member
Mr. Santosh Kumar Kushawaha	Non Executive Director, Member

Date: 03rd September, 2020

Dear Member,

You are cordially invited to attend the 37th Annual General Meeting of the members of AF Enterprises Limited ('the Company') to be held on Wednesday, 30th September, 2020 at 10:00 through Video Conferencing / Other Audio Video Means (VC/ OAVM) facility

The notice of the meeting, containing the business to be transacted, is enclosed herewith. As per section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2015, as amended by the Companies (Management and Administration) Amendment Rules, 2016 and Regulation 44 of the SEBI (LODR) Regulations, 2015, the Company is pleased to provide its members the facility to cast their vote by electronic means on all resolutions set forth in the Notice. The instructions for e- voting are enclosed.

Thanking You,

For and on behalf of

AF ENTERPRISES LIMITED

SD/-

ABHISHEK SINGH

WHOLE- TIME DIRECTOR



AF ENTERPRISES LIMITED

A F ENTERPRISES LIMITED

Regd. Office: DSM- 334, DLF TOWER, SHIVAJI MARG, DELHI- 110015;
Corporate office cum Factory: Plot No. 8, Sector-5, Mathura Road, Ballabgarh,
Faridabad-, Haryana, 121006
CIN: L18100DL1983PLC016354
Website: www.afenterprisesltd.com
E-mail Id: info.afenterprises@gmail.com **Ph:** 011-45084850

NOTICE OF 37TH ANNUAL GENERAL MEETING

NOTICE is hereby given that Thirty-Seven Annual General Meeting (37th AGM) of the members of A F Enterprises Limited will be held on Wednesday, 30th Day of September, 2020 at 10.00 A.M. through through Video Conferencing / Other Audio Video Means (VC/ OAVM), to transact the following business:

ORDINARY BUSINESS:

- 1. To receive, consider and adopt the Audited Balance Sheet of the Company as on 31st March, 2020 and the Profit and Loss Account for the year ended as on that date together with the reports of Directors and Auditors thereon.**
- 2. To appoint a Director in place of Mr. Santosh Kumar Kushawaha (DIN: [02994228](#)), a Non-Executive & Non Independent Director, who retires by rotation at this AGM and being eligible, offers himself for re-appointment**

SPECIAL BUSINESS:

- 3. To appoint Ms. Shagun Ajmani (DIN: 08828322) as Director and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:**

“RESOLVED THAT Ms. Shagun Ajmani (DIN: 08828322) who was co-opted as an Additional Director on the board of the company with effect from 03rd September, 2020 and who ceases to hold the office at this Annual General Meeting and in respect of whom a notice under section 160 of the Companies Act, 2013 has been received from a member along with requisite deposit proposing his candidature for the office of a Director on the Board of the Company, be and is hereby appointed as a director on the Board, liable to retire by rotation”.

- 4. To appoint Mr. Sahil Arora (DIN: 07143414) as Director and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:**

“RESOLVED THAT Mr. Sahil Arora (DIN: 07143414) who was co-opted as an Additional Director on the board of the company with effect from 03rd September, 2020 and who ceases to hold the office at this Annual General Meeting and in respect of whom a notice under section 160 of the Companies Act, 2013 has been received from a member along with requisite deposit proposing his candidature for the office of a Director on the Board of the Company, be and is hereby appointed as a director on the Board, liable to retire by rotation”.



AF ENTERPRISES LIMITED

- 5. To appoint Mr. Tinku Kathuria (DIN: [08699650](#)) as an Independent Director and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:**

“RESOLVED THAT pursuant to the provisions of Section 160, 149, 152 and all other applicable provisions and Schedule IV to the Companies Act, 2013, the Companies (Appointment the Companies (Appointment and Qualifications of Directors) Rules, 2014, as may be amended, from time to time and the Listing Agreement, Mr. Tinku Kathuria (DIN: [08699650](#)), who was appointed as Director with effect from 14th February, 2020 be and is hereby appointed as an Independent Director of the Company, to hold office for a term of five consecutive years w.e.f. 14th February, 2020.”

**For and on behalf of Board of Directors of
AF ENTERRPISES LIMITED**

SD/-

ABHISHEK SINGH

WHOLE- TIME DIRECTOR

DIN: 03603706

**ADDRESS: 3RD FLOOR, G1/244, INDRA ENCLAVE, SEC 21 D,
ST LUKE HIGH SCHOOL FARIDABAD 121001**

Date: 03rd September, 2020

Place: New Delhi

NOTES:

- A. APPOINTMENT OF PROXY: A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY FORM IN ORDER TO BE EFFECTIVE MUST BE DEPOSITED WITH THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME FIXED FOR COMMENCEMENT OF THE MEETING.**
- B. Corporate Members:** Corporate Members intending to send their authorized representatives are requested to send a duly certified copy of the Board Resolution authorizing the representatives to attend and vote at the Annual General Meeting.
- C.** Members/ Proxies attending the meeting are requested to bring their copy of Annual Report to the Meeting.
- D. Queries at the AGM:** Queries proposed to be raised at the Annual General Meeting may be sent to the Company at its registered office at least seven days prior to the date of AGM to enable the management to compile the relevant information to reply the same in the meeting.
- E.** Members are requested to notify any change in their address/ mandate/ bank details immediately to the share transfer Agent of the Company- M/s Skyline Financial Services Pvt Ltd.,D-153/A, Okhla Industrial Area, Phase-I, New Delhi- 110 020.
- F. Book Closure:** The Register of Members and Share Transfer Books of the Company will remain closed from Thursday, 24th September, 2020 to Wednesday, 30th September, 2020 (both days inclusive).
- G. Inspection of Documents:** Documents referred to in the Annual General Meeting Notice is open for inspection at the registered office of the Company at all working days except Saturdays between 11 A.M. and 2 P.M. up to the date of Annual General Meeting.
- H. Explanatory Statement:** Explanatory Statement as required under section 102 (1) of the Companies Act, 2013, relating to the special businesses to be transacted at the meeting is annexed hereto.
- I. Voting through electronic means**
1. Pursuant to Sec 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, and Regulation 44 of SEBI (LODR), 2015 the company will provide e- voting facility to the members. All business to be transacted at Annual General Meeting can be transacted through the electronic voting system.
 2. The shareholders shall have one vote per equity share held by them. The facility of e- voting would be provided once for every folio/ client id irrespective of the number of jointholders.
 3. The Company has appointed Mr. Sandeep Joshi, Practicing Company Secretary, as the scrutinizer for conducting the e-voting process in the fair and transparent manner.
 4. The scrutinizer will submit his final report to the Chairman within three working days after the conclusion of e-voting period.
 5. The results shall be declared within three days of the AGM of the Company. The results declared along with the Scrutinizer's Report shall be placed on the Company's website and on the website of NSDL.



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1. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020, physical attendance of the Members to the EGM/AGM venue is not required and annual general meeting (AGM) be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing EGM/AGM through VC/OAVM.
2. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this EGM/AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the EGM/AGM through VC/OAVM and participate thereat and cast their votes through e-voting.
3. The Members can join the EGM/AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the EGM/AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the EGM/AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the EGM/AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as venue voting on the date of the EGM/AGM will be provided by NSDL.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the EGM/AGM has been uploaded on the website of the Company at www.afenterprisesltd.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and the EGM/AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.
7. AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.



THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING ARE AS UNDER:-

The e-voting period commences on 27/09/2020 and ends 29/09/2020. During this period, Members holding shares either in physical form or in dematerialised form as on Friday, September 23, 2020 i.e. cut-off date, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Those Members, who will be present in the AGM through VC / OAVM facility and have not cast their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the AGM.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:

Step 1: Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

Step 2: Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 is mentioned below:

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholders’ section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Your password details are given below:



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- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered**
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a) Click on "Forgot User Details/Password?"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Details on Step 2 is given below:

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.



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7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to acssandeepjoshi@gmail.com with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “[Forgot User Details/Password?](#)” or “[Physical User Reset Password?](#)” option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request to Aman Goyal at evoting@nsdl.co.in

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to info.afenterprises@gmail.com.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to info.afenterprises@gmail.com.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE EGM/AGM THROUGH VC/OAVM ARE AS UNDER:



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1. Member will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access the same at <https://www.evoting.nsdl.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush. Further members can also use the OTP based login for logging into the e-Voting system of NSDL.
 2. Members are encouraged to join the Meeting through Laptops for better experience.
 3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
 4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
 5. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker may send their request mentioning their name, demat account number/folio number, email id, mobile number at (company email id)..
 6. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at (company email id). The same will be replied by the company suitably.
 7. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
- 6.



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EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO. 3:

Ms. Shagun Ajmani (DIN: 08828322), who was appointed as an Additional Director of the Company with effect from 03rd September, 2020, in terms of Section 161 of the Companies Act, 2013, he holds office until the date of the Annual General Meeting of the Company. The Company has received notice under Section 160 of the Companies Act, 2013 proposing the candidature of Ms. Shagun Ajmani (DIN: 08828322) for the office of the Director under the provisions of Section 160 of the Companies Act, 2013.

Ms. Shagun Ajmani (DIN: 08828322) is an eminent Industrialist and brings rich and varied experience to the Board. The Board of Directors recommends the resolution set out in Item no. 3 of the Notice for approval of the Members.

The Board recommends the resolution for your approval. Ms. Shagun Ajmani (DIN: 08828322) is interested in the resolution to the extent of his appointment.

None of the remaining Directors and their relatives is concerned or interested in the proposed resolution.

ITEM NO.4

Mr. Sahil Arora (DIN: 07143414), who was appointed as an Additional Director of the Company with effect from 03rd September, 2020, in terms of Section 161 of the Companies Act, 2013, he holds office until the date of the Annual General Meeting of the Company. The Company has received notice under Section 160 of the Companies Act, 2013 proposing the candidature of Mr. Sahil Arora (DIN: 07143414) for the office of the Director under the provisions of Section 160 of the Companies Act, 2013.

Mr. Sahil Arora (DIN: 07143414) is an eminent Industrialist and brings rich and varied experience to the Board. The Board of Directors recommends the resolution set out in Item no. 4 of the Notice for approval of the Members.

The Board recommends the resolution for your approval. Mr. Sahil Arora (DIN: 07143414) is interested in the resolution to the extent of his appointment.

None of the remaining Directors and their relatives is concerned or interested in the proposed resolution.

ITEM NO.5

Mr. Tinku Kathuria (DIN [08699650](#)) was appointed as an Additional Director with effect from 14th February, 2020 pursuant to Section 149 of the Companies Act, 2013 (new act) read with the Rules made thereunder, the Independent Directors shall hold office for a period of up to 5 consecutive years



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and shall not be liable to retire by rotation. He may be appointed for a maximum of two consecutive terms of upto 5 years each.

He is an Independent director of the company and has been holding the office of Directorship. As per existing terms of appointment, the period of his office is not liable to determination by retirement by rotation in terms of section 152 of the Act. The Company has received notices in writing from a member along with the deposit of requisite amount under section 160 of the Act proposing the candidature of her appointment as an Independent Director of the Company. He is not disqualified from being appointed as Directors in terms of Section 164 of the Act and has given her consent to act as Director. The Company has also received declarations from her that he meet with the criteria of independence as prescribed under Section 149(6) of the Act and the Listing agreement.

The Board considered the independence of them in terms of Section 149 and Schedule IV to the Companies Act, 2013 and the Listing Agreement and was of the view that she fulfills the criteria of independence as mentioned in the above provisions and can be appointed in the above provisions and can be appointed as Independent Directors

The Board of Directors recommends the resolution set out in the Notice for approval of the Members. Mr. Tinku Kathuria (DIN [08699650](#)) is interested in her respective resolution to the extent of her appointment. Mr. Tinku Kathuria (DIN [08699650](#)) is an eminent Professional and brings rich and varied experience to the Board.

None of the remaining Directors and their relatives is concerned or interested in the proposed resolution.

**For and on behalf of Board of Directors of
AF ENTERRPISES LIMITED**

SD/-

ABHISHEK SINGH

WHOLE- TIME DIRECTOR

DIN: 03603706

**ADDRESS: 3RD FLOOR, G1/244, INDRA ENCLAVE, SEC 21 D,
ST LUKE HIGH SCHOOL FARIDABAD 121001**

Date: 03rd September, 2020

Place: New Delhi



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DETAILS OF THE DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT AS REQUIRED UNDER PURSUANT TO REGULATION 36(3) SEBI (LISTING OBLIGATION AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECRETARIAL STANDARD-2:

Name	Mr. Santosh Kumar Kushawaha	Ms. SHAGUN AJMANI	MR. SAHIL ARORA	Mr. Tinku Kathuria
Designation	Non Executive Director	Non Executive Director	Non Executive Director	Independent Director
Date of first appointment	30 th May, 2019	03 rd September, 2020	03 rd September, 2020	14 th February, 2020
Qualification	Post Graduate	Graduate	Graduate	Chartered Accountant
Experience & Profile	More than 10 years in multi industry	experience in Business administration and finance	Having experience in Human resources and others.	More than 5 years in finance and accounting
Directorship held in other Companies	4	Nil	3	0
Directorship held in Listed entities	2	1	1	1
Membership of Committees of the Board the Board (only Listed Entities) in which Chairmanship membership is held (includes only Audit Committee and Stakeholder Relationship Committee)	3	1	2	3
No. of Board Meeting attended during the year	N.A	N.A	N.A	N.A
Terms & Conditions of appointment/ re-appointment	As per proposed Resolution and Explanatory Statement	As per proposed Resolution and Explanatory Statement	As per proposed Resolution and Explanatory Statement	As per proposed Resolution and Explanatory Statement
Numbers of shares held in the Company	Nil	Nil	Nil	Nil
Past Remuneration	Nil	Nil	Nil	Nil
Relationship with other Directors	Nil	Nil	Nil	Nil



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BOARD'S REPORT

To
The Members,
A F Enterprises Limited,

Your Directors are pleased to present their report on the affairs of the company for the Financial Year ended March 31, 2020.

FINANCIAL PERFORMANCE

(Audited) Particulars	(Amount in Rs. 000)	
	Financial Year ended 31.03.2020	Financial Year ended 31.03.2019
Total Revenue	595,283.37	330,671.66
Profit before Interest, Tax & Depreciation	42,682.57	5,728.81
Less: Depreciation	23,572.06	839.62
Profit before Tax	19,110.51	4,889.19
Prior Period Expenses Income Tax for Previous Years TDS W/O	-	-
Profit before Tax after Extraordinary Items	19,110.51	4,889.19
Less: Provision for Income Tax		
i) Current Tax	(3,189.93)	(929.91)
ii) Deferred Tax	(1,790.56)	171.90
iii) Mat Credit	3,189.93	943.65
iv) Excess Provision of Income tax Earlier year		
Net Profit/ (Loss)	17,319.94	5,061.09

KEY HIGHLIGHTS

During the period under consideration, the total Revenue for the year increased from Rs. 3219.67 lakhs in 2018-19 to Rs 5401.06 lakhs in 2019-20. The Net Profit for the year Increased to Rs. 173.19 Lakhs in 2019-20 from loss of Rs. 50.61 Lakhs in the previous year.

STATE OF COMPANY'S AFFAIR

The Company is engaged in various business segments; main business activities are the manufacturing of plastic moduled components, dealer in Fabrics and also deals in Investments in securities. All Trading heads are our Strategic Business Units and are headed by team of professionals.

DIVIDEND

During the year, No Dividend has been declared.

TRANSFER TO RESERVES:

During the year under review, the company has not transferred any amount to the General Reserve.

MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION BETWEEN THE END OF THE FINANCIAL YEAR AND DATE OF REPORT

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There are no material changes affecting the affairs of the company which have occurred between the end of the financial year on March 31, 2020 of the company to which the financial statements relate and the date of this report.

LISTING OF SHARES:

The equity shares of A F Enterprises Ltd (Scrip Code: 538351) are listed and admitted to dealings on the Platform of BSE.

CHANGE IN THE NATURE OF BUSINESS

There is no change in the nature of the Business during the financial year under review. However, the Board of Directors altered the Main Business activity at the Board meeting held on 30th May, 2019 and Shareholders have confirmed the same by passing of Special resolution through postal ballot on 6th July, 2019.

NUMBER OF MEETINGS OF THE BOARD

During the year, the Board of Directors of the Company has met on the following dates, in compliance with the provisions of the Companies Act, 2013:

S No.	Date of meeting	Total No. of Directors on the Date of Meeting	No. of Directors attended	% of Attendance
1	30 th May, 2019	4	4	100%
2	14 th August, 2019	4	4	100%
3	14 th November, 2019	4	4	100%
4	14 th February, 2020	4	4	100%

SHARE CAPITAL

The Authorized Share Capital of the Company as on March 31, 2020 stands at Rs. 45,000,000/- divided into 4,500,000 equity shares of Rs. 10/- each. The Paidup Equity Share Capital as at March 31, 2020 stood at Rs. 4,00,00,000/- divided into 40,00,000 equity shares of Rs. 10/- each fully paid.

During the year under review, the Company has not issued shares with differential voting rights nor has granted any stock options or sweat equity. As on March 31, 2020, none of the Directors of the Company hold instruments convertible into equity shares of the Company.

DIRECTORS AND OTHER KEY MANAGERIAL PERSONNEL

Your Company is managed and controlled by a Board comprising an optimum blend of Executives and Non-Executive Professional Directors. As on March 31, 2020; the Board of Directors consists of Four (4) Directors including one Whole Time Director, Two (2) Non-executive Independent Director and one (1) Non Executive and Non Independent Director including one Woman Director. All the Directors possess the requisite qualifications and experience in general corporate Management, finance, banking and other allied fields which enable them to contribute effectively to the Company in their capacity as Directors of the Company.

CHANGES IN COMPOSITION OF BOARD.

The change in Composition of Directors during the financial year ended on March 31, 2020 were made as per companies Act 2013,

During the year under review, Mr. Pawan Kumar Chugh and Mr. Shushil Singh resigned as an



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Independent Director of the Company w.e.f. 30th May, 2019 and 14.02.2020 respectively and Mr. Santosh Kumar Kushawaha as a Non-Executive Director was appointed w.e.f. 30th May, 2019 and Ms. Purna Sethi was appointed as Independent Director w.e.f. 14th August, 2019 and Mr. Tinku Kathuria was appointed as Additional Director (Independent) of the Company w.e.f. 14th February 2020.

The Company has received notices in writing from a member along with the deposit of requisite amount under section 160 of the Act proposing the candidature of their appointment as a Non Executive non Independent Director/Independent Director as the case may be, of the Company.

KEY MANAGERIAL PERSONNEL

During the year, Ms. Bhawna was resigned from the post of Company Secretary on 01st September, 2019 and Mr. Abhishek Kumar, WTD of the Company was designed as CFO on 30th May, 2019.

DECLARATION BY INDEPENDENT DIRECTORS

Independent directors had submitted their disclosure to the Board that they fulfill all the requirements as to qualify for their appointment as an Independent Director under the provisions of Section 149 read with Schedule IV of the Companies Act, 2013. The Board confirms that the independent directors meet the criteria as laid down under the Companies Act, 2013.

None of the Independent Director on the Board of the Company serve as an Independent Director in more than seven (7) Listed Companies nor holds the position of Whole time Director in any Listed Company. Independent Directors of the Company have been appointed in accordance with the applicable provisions of the Companies Act, 2013 ("Act") read with relevant rules.

DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors confirm that:

- (a) In the preparation of the annual accounts, the applicable accounting standards had been followed and there is no material departures;
- (b) They had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the company for that period;
- (c) They had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) They had prepared the annual accounts on a going concern basis;
- (e) They have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- (f) They had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

EXTRACT OF THE ANNUAL RETURN

The extracts of Annual Return in Form MGT-9 pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 are attached as **Annexure 'A'** to this Report.



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STATUTORY AUDITORS

M/s V N Purohit & Co., Chartered Accountants, (Registration Number: 304040E) who are Statutory Auditors of the Company were appointed until the conclusion of 38th Annual General Meeting.

Auditor's Report

Auditor's Report does not contain any observation(s)/qualification(s), hence does not call for any explanation.

During the year under review, the Auditors had not reported any matter under Section 143 (12) of the Act, therefore no detail is required to be disclosed under Section 134 (3)(ca) of the Act.

The Report given by M/s V N Purohit & Co., Statutory Auditors on the financial statement of the Company for the year ended 31st March, 2020 is part of the Annual Report.

Secretarial Auditors

The Board had appointed M/s Sandeep Joshi & Associates, Company Secretaries to carry out Secretarial Audit in accordance with the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, for the financial year ended March 31, 2020.

Secretarial Auditors's Report

The Company will ensure the timely Compliances as mention in the by the Secretarial Audit Report.

A copy of the Secretarial Audit Report is annexed herewith as **Annexure -B** and forms part of this report.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO

CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION

(A) Conservation of energy:

- (i) Steps taken or impart on conservation of energy :-No such steps were required as the Company is not into any manufacturing activities.
- (ii) Steps taken by the company for utilizing alternate sources of energy:-No such steps were required as the Company is not into any manufacturing activities.
- (iii) Capital Investment on energy conservation equipments:-NIL

(B) Technology absorption

- (I) Efforts made towards technology absorption :- As the Company is not using any borrowed technology no such steps are required.
- (II) benefit derived :- NA
- (III) In case of imported technology- N.A.
 - a) The detail of technology imported
 - b) The year of import
 - c) Whether the technology been fully absorbed
 - d) If not fully absorbed areas where absorption has not been taken place, and the reasons thereof
- (IV) Expenses incurred on R & D: NIL

FOREIGN EXCHANGE EARNINGS AND OUTGO

(Amount in Rs. 000)

PARTICULARS	CURRENT YEAR	PREVIOUS YEAR
Foreign Exchange Outgo	-	106592.00
Foreign Exchange Earning	99591.27	-

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

INTERNAL FINANCIAL CONTROL

The Board has adopted the policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial disclosures.

The Company's Internal Control Systems are commensurate with the nature of its business and the size and complexity of its operations. It comprises audit and compliance by internal audit checks by Mr. Anil Kumar, Partner, M/s AKNS & Company, Chartered Accountants, Delhi as Internal Auditors of the Company.

The Internal Auditors independently evaluate the adequacy of internal controls and concurrently audit the financial transactions and review various business processes. Independence of the Internal Auditors and therefore compliance is ensured by the direct report of internal audit division and Internal Auditors to the Audit Committee of the Board.

RISK MANAGEMENT

Pursuant to Section 134(3)(n) of the Companies Act, 2013, the Company has developed and implement the Risk Management Policy for the Company including identification therein of elements of risk, if any, which is in the opinion of the Board may threaten the existence of the Company. These are discussed at the meeting of the Audit Committee and the Board of Directors of the Company.

At present the Company has not identified any element of risk which may threaten the existence of the Company.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

The company has not made any investment and given guarantee under Sec 186 of the Companies Act, 2013.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

Pursuant to the provisions of Section 135 of the Companies Act, 2013, every company having net worth of rupees five hundred crore or more, or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during any financial year shall constitute a Corporate Social Responsibility Committee of the Board and shall formulate a Corporate Social Responsibility Policy. Your Company is not falling under the preview of said section during the year.

SUBSIDIARY, ASSOCIATE AND JOINT VENTURE COMPANIES

Your company does not have any unlisted/listed subsidiary company or Joint Ventures or any Associate Companies. Pursuant to the provisions of the Rule 8 of Companies (Accounts) Rules, 2014, a statement containing salient features of the financial statements of the Company's subsidiaries,



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associates and joint venture companies in Form AOC-1 is attached as **Annexure C**.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

During the year under review, the Company has not entered into any related party transaction falling under sub-section (1) of Section 188 of the Companies Act, 2013. Form for disclosure of particulars of contracts/arrangements as required under clause (h) of sub-section (3) of section 134 of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014) is provided in the Board Report in the form AOC- 2 as **Annexure D**.

COMPOSITION OF COMMITTEES**Audit Committee**

As per the provisions of Section 177 of the Companies Act, 2013 your Company has Constituted an Audit committee. The Audit Committee comprises of majority of the Independent Directors .All the members of the Committee have experience in financial matters. The details of the composition of the committee are set out in the following table:

S. No.	Name	Status	Designation
1	Mr. Sushil Singh*	Independent Director	Chairman
2	Mr. Abhishek Singh	Executive Director	Member
3	Ms. Prerna Sethi	Non Executive and Independent Director	Member
4	Mr. Tinku Kathuria*	Independent Director	Chairman

*Mr. Tinku Kathuria appointed an Independent Director as Chairperson w.e.f. 14th February 2020.

Nomination and Remuneration Committee

Our Company has constituted a nomination and remuneration committee ("Nomination and Remuneration Committee").The details of the composition of the Committee are set out in the following table:

S. No.	Name	Status	Designation
1	Ms. Prerna Sethi	Independent Director	Chairperson
2	Mr. Sushil Singh*	Independent Director	Member
3	Mr. Santosh Kumar Kushawaha	Non Executive and Non Independent Director	Member
4	Mr. Tinku Kathuria*	Independent Director	Member

*Mr. Sushil singh was resigned from directorship of the company in his place Mr. Tinku Kathuria appointed an Independent Director w.e.f. 14th February 2020

STAKEHOLDERS RELATIONSHIP COMMITTEE / INVESTORS GRIEVANCE COMMITTEE

Our Company has constituted a Stakeholders relationship Committee / investors grievance committee ("Stakeholders relationship committee / Investors Grievance Committee") to redress the complaints of the shareholders. The committee currently comprises of three (3) Directors **Ms. Prerna Sethi** is the Chairperson of the Stakeholders relationship Committee / investor Grievance Committee.

S. No.	Name	Status	Designation
1	Ms. Prerna Sethi	Independent Director	Chairperson
2	Mr. Sushil Singh*	Independent Director	Member



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3	Mr. Santosh Kumar Kushawaha	Non Executive and Non Independent Director	Member
4	Mr. Tinku Kathuria*	Independent Director	Member

*Mr. Sushil singh was resigned from directorship of the company in his place Mr. Tinku Kathuria appointed an Independent Director w.e.f. 14th February 2020.

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

The Company has formulated a policy known as Nomination and Remuneration Policy to govern the appointment and payment of remuneration to directors and KMPs. The said policy is available on website <http://www.afenterprisesltd.com/>

ESTABLISHMENT OF VIGIL MECHANISM FOR DIRECTORS AND EMPLOYEES

The Company has established a vigil mechanism for Directors and employees to report their genuine concerns, as approved by Board on recommendation of Audit Committee.

FORMAL ANNUAL EVALUATION

The Nomination and Remuneration Committee of the Company has formulated Evaluation Policy during the year, which was approved by the Board of Directors. The Policy provides for evaluation of the Board, the Committee of the Board and individual Directors, including the Chairman of the Board. The policy provides that evaluation of the performance of the Board as a whole, Board Committees and Directors shall be carried out on an annual basis.

CORPORATE GOVERNANCE

As per Regulation 15(2) of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015, compliance with the Corporate Governance provisions as specified in regulation 17 to 27 and clause (b) to (i) of the sub-regulation (2) of regulation 46 and Para C, D, and E of Schedule V shall not apply to the company having paid up equity share capital not exceeding Rs. Ten Crore and net worth not exceeding Rs. Twenty Five Crore, as on the last day of the previous financial year. The Company is covered under the exception given under Regulation 15(2) of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015, therefore Company is not require to comply with the said provisions

DEPOSITS

Your Company has neither accepted nor any fixed deposits was outstanding as of the Balance Sheet date.

TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

The provisions of Section 125(2) of the Companies Act, 2013 do not apply as there was no dividend declared and paid last year.

PARTICULARS OF EMPLOYEES

The statement containing particulars of employees as required under section 197(12) of the Companies At, 2013 read with rule 5 of the Companies (Appointment of Managerial Personnel) Rules, 2014 is given in **Annexure-D** and forms part of this Report. In terms of Section 136(1) of the Companies Act, 2013, the Report and the Accounts are being sent to the Members excluding the aforesaid Annexure. Any Member interested in obtaining a copy of the Annexure may write to the Company Secretary at the Registered Office of the Company.



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SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The Company does not have any Subsidiary, Joint venture or Associate Company.

HUMAN RESOURCES

There are no employees as on date on the rolls of the Company who are in receipt of Remuneration which requires disclosures under Section 134 of the Companies Act, 2013 and Companies (Particulars of Employees) Rules, 1975. During the year under review, relationship with the employees is cordial.

GENERAL DISCLOSURES

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

1. Details relating to deposits covered under Chapter V of the Act.
2. Issue of equity shares with differential rights as to dividend, voting or otherwise.
3. Issue of shares (including sweat equity shares/ ESOP) to employees of the Company under any scheme.
4. Neither the Managing Director nor the Whole-time Directors of the Company receive any remuneration or commission from any of its subsidiaries.
5. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

Your Directors further state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

ACKNOWLEDGEMENTS

The Board of Directors acknowledges with gratitude the co-operation extended by the Company's Bankers and also appreciates the continued trust and confidence reposed by the Shareholders in the management. They also place on record their appreciation for the valuable contribution and whole hearted support extended by the Company's employees at all levels.

By Order of the Board	
For A F Enterprises Limited Sd/- (Abhishek Singh) Whole Time Director DIN: 03603706 Residential Address: 3rd Floor, G1/244, Indra Enclave, Sec 21 D, St Luke High School faridabad 121001	For A F Enterprises Limited Sd/- (Santosh Kumar Kushawaha) Director DIN: 02994228 Residential Address: 395 2nd Floor 46 Near Vardhman Public School Amarnagar Faridabad Faridabad 121003

Place: New Delhi

Date: 03rd September, 2020

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31.03.2020

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I. REGISTRATION & OTHER DETAILS:

1.	CIN	L18100DL1983PLC016354
2.	Registration Date	18/08/1983
3.	Name of the Company	A F ENTERPRISES LIMITED
4.	Category/Sub-category of the Company	Company Limited by Shares
5.	Address of the Registered office & contact details	DSM-334, DLF Towers Shivaji Marg, Delhi-110015
6.	Whether listed company	Yes (Listed on BSE)
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Contact Officer : Mr. VirenderRana Skyline Financial Services Private Limited SEBI Regn. No.: INR000003241 D-153 A, 1st Floor, Okhla Industrial Area, Phase - I, New Delhi - 110 020. Tel No.: +91-11- 26812682 Fax No.: +91-11-26812683 Email id.: virenr@skylinerta.com Website : www.skylinerta.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Trading	46909	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate Company	% of Shares Held	Applicable Section
1	-	-	-	-	-

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year[As on 31-March-2019]	No. of Shares held at the end of the year[As on 31-March-2020]	% Change
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	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	during the year
A. Promoters									
(1) Indian									
a) Individual/ HUF	0	0	0	0	0	0	0	0	0
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	807600	0	807600	20.19	807600	0	807600	20.19	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any other	0	0	0	0	0	0	0	0	0
Total shareholding of Promoter (A)	807600	0	807600	20.19	807600	0	807600	20.19	0
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	0	0	0	0	0	0	0	0	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
Sub-total (B)(1):-	0	0	0	0	0	0	0	0	0
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	791636	0	791636	19.79	568620	0	568620	14.22	(5.57)
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 2 lakh	1056121	0	1056121	26.40	1120256	0	1120256	28.01	1.61
ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh	1206900	0	1206900	30.17	1197934	0	1197934	29.95	(0.22)
c) Others (specify)	125392	0	125392	3.13	168937	0	168937	4.22	1.09



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Category of Shareholders	No. of Shares held at the beginning of the year[As on 31-March-2019]				No. of Shares held at the end of the year[As on 31-March-2020]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
HUF									
Non Resident Indians	10351	0	10351	0.26	7687	0	7687	0.19	(0.07)
Overseas Corporate Bodies	0	0	0	0	0	0	0	0	0
Foreign Nationals	0	0	0	0	0	0	0	0	0
Clearing Members	0	0	0	0	0	0	0	0	0
NBFC	2000	0	2000	0.05	0	0	0	0	(0.05)
Foreign Bodies - D R	0	0	0	0	0	0	0	0	0
Sub-total (B)(2):-	3192400	0	3,192,400	79.81	3192400	0	3192400	79.81	29.26
Total Public Shareholding (B)=(B)(1)+ (B)(2)	3192400	0	3,192,400	79.81	3192400	0	3192400	79.81	29.26
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	4000000	0	40,00,000	100	40,00,000	0	40,00,000	100	0

ii) Shareholding of Promoter-

SN	Shareholder's Name	Shareholding at the beginning of the year 01/04/2018			Shareholding at the end of the year 31/03/2019			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	
1	RMS MOSQUITO PVT LTD	807600	20.19	-	807600	20.19	-	-
		807600	20.19	-	807600	20.19	-	-

iii) Change in Promoters' Shareholding (please specify, if there is no change) - Not Applicable

SN	Particulars	Shareholding		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.					



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iv) Shareholding Pattern of top ten Shareholders:
(Other than Directors, Promoters and Holders of GDRs and ADRs):

SN	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year				
1	Arcadia Share And Stock Brokers Pvt. Ltd	119450	2.99	-	-
2	Dhansakti Suppliers Private Limited	116238	2.91	-	-
3	Bij Buildcon (India) Private Limited	77424	1.94	-	-
4	Bell Indus Fibrecom Pvt Ltd	74877	1.87	-	-
5	Lokesh Kumar	62500	1.56	-	-
6	Hemendra Ratilal Mehta	114858	2.87	-	-
7	Udit Sodani	102553	2.56	-	-
8	Meenu Sodani	102500	2.56	-	-
9	Dipakkumar Natwarlal Bhatt	101915	2.55	-	-
10	Manisha Tomar	72310	1.81	-	-
	<i>Shareholding was sold or bought at various dates during the financial year 2019-20</i>				
	TOTAL			-	-
	At the end of the year				
1	Dhansakti Suppliers Private Limited	116238	2.91	-	-
2	Hemendra Ratilal Mehta	114858	2.87	-	-
3	Udit Sodani	102553	2.56	-	-
4	Meenu Sodani	102500	2.56	-	-
5	Dipakkumar Natwarlal Bhatt	101915	2.55	-	-
6	Manisha Tomar	72310	1.81	-	-
7	KEWAL SEHGAL	62500	1.56	-	-
8	Lokesh Kumar	62500	1.56	-	-
9	PRANJAL GUPTA	62500	1.56	-	-
10	RAKSHIT SEHGAL	62500	1.56	-	-

v) Shareholding of Directors and Key Managerial Personnel: NIL

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	NIL	NIL	NIL	NIL



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SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
		Nil	Nil	Nil	Nil
	At the end of the year	Nil	Nil	Nil	Nil
		Nil	Nil	Nil	Nil

V. INDEBTEDNESS

-Indebtedness of the Company including interest outstanding/accrued but not due for payment.

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	1951.26	5200.00	NIL	6027.19
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	NIL	NIL	NIL	NIL
Total (i+ii+iii)	1951.26	5200.00	NIL	6027.19
Change in Indebtedness during the financial year				
* Addition	-	14115.00	NIL	14115.00
* Reduction	390.50	-	NIL	390.50
Net Change	390.50	14115.00	NIL	13724.50
Indebtedness at the end of the financial year				
i) Principal Amount	1404.09	19315.00	NIL	20274.83
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	NIL	NIL	NIL	NIL
Total (i+ii+iii)	1404.09	19315.00	NIL	20274.83

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount (in Rs.000)
		Mr. Abhishek Singh (Whole Time Director & CFO)	
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	360.00	360.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NIL	NIL



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SN.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount (in Rs.000)
		Mr. Abhishek Singh (Whole Time Director & CFO)	
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	NIL	NIL
2	Stock Option	NIL	NIL
3	Sweat Equity	NIL	
4	Commission - as % of profit - others, specify...	NIL	
5	Others, please specify	NIL	
	Total (A)	360.00	360.00

B. Remuneration to other directors

SN.	Particulars of Remuneration	Name of Directors	Total Amount in Rs.
1	Independent Directors	NIL	NIL
	Fee for attending board committee meetings	Nil	Nil
	Commission	NIL	NIL
	Others, please specify	NIL	NIL
	Total (1)	NIL	NIL
2	Other Non-Executive Directors		
	Fee for attending board committee meetings	NIL	NIL
	Commission	NIL	NIL
	Others, please specify	NIL	NIL
	Total (2)	NIL	NIL
	Total (B)=(1+2)	NIL	NIL
	Total Managerial Remuneration (A+B)	Nil	Nil

C. Remuneration to Key Managerial Personnel other Than MD/Manager/WTD - NIL

SN	Particulars of Remuneration	Key Managerial Personnel (in Rs.)			
					Total
		-	-	-	
1	Gross salary		-	-	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	Nil	-	-	NIL
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NIL	-	-	NIL



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	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961		NIL	-	-	NIL
2	Stock Option		NIL	-	-	NIL
3	Sweat Equity		NIL	-	-	NIL
4	Commission		NIL	-	-	NIL
	- as % of profit			-		
	Others, specify...		NIL	-	-	NIL
5	Others, please specify		NIL	-	-	NIL
	Total		NIL	-	-	NIL

*Salary drawn for the Part of the year.

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. DIRECTORS					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. OTHER OFFICERS IN DEFAULT					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

ANNEXURE "B"

Annexure - 1

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2020

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
A F ENTERPRISES LIMITED
DSM-334, DLF Towers Shivaji Marg,
Delhi Central Delhi DL 110015
CIN No.: L18100DL1983PLC016354

I was appointed by the Board of Directors of A F ENTERPRISES LIMITED (hereinafter called the Company) to conduct Secretarial Audit on a voluntary basis for the period commencing from 1st April 2019 to 31st March 2020.

I have conducted the secretarial audit in respect of compliance with applicable statutory provisions and adherence to good corporate practices by the Company. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conduct/statutory compliances and expressing our opinion thereon.

Based on our verification of Company's books, papers, minutes, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2020 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minutes, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2020 according to the provisions of the following Laws (whichever applicable):

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-law framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment and Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange



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Board of India Act, 1992 ('SEBI Act'):-

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **(Not Applicable during Audit Period)**
- (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 **(Not Applicable during Audit Period)**
- (e) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **(Not Applicable during Audit Period)**
- (f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not Applicable during Audit Period)**
- (g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and **(Not Applicable during Audit Period)**
- (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998. **(Not Applicable during Audit Period)**

In respect of other laws specifically applicable to the Company, I have relied on information/records produced by the Company during the course of our audit and the reporting is limited to that extent. In respect of Direct and Indirect Tax Laws like Income Tax Act, Goods & Service Tax Act, Excise & Custom Acts we have relied on the Reports given by the Statutory Auditor of the company.

We have also examined compliance with the applicable clauses of the following:

- (i) The Secretarial Standards issued by the Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with BSE Limited and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except to the extent as mentioned below:

- 1. Delay in submission of financial results for the quarter ended 30.09.2019**
- 2. Company Secretary of the Company has resigned on 01st September, 2019 and after that no company secretary has appointed till 31st March, 2020 under Section 203 of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 w.e.f.) during audit period under review.**
- 3. There were few instances where various E forms has been filed with additional/late fees.**



4. *The management of the Company has reported and certified that the Company has obtained requisite approvals for grant of loans and advances to any party and complied with the provisions of Section 186 of the Companies Act, 2013 and any other applicable laws. However Company could not produce necessary records/supporting documents during the audit process.*
5. *The company has suspended on stock exchange i.e. BSE Limited due to not payment of Annual Listing fees.*
6. *Website of the Company is not updated as per the provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 and Companies Act, 2013.*

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. Further no any change has been occurred in the composition of Board of Directors of the Company during the year under review.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance.

All decision at Board Meetings and Committee Meetings are carried unanimously and subsequently the minutes of the Board of Directors or Committee of the Board, as the case may be were recorded.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that as informed to us, the Company has responded to notices for demands, claims, penalties etc levied by various statutory/regulatory authorities and initiated actions for corrective measures, wherever necessary.

We further report that as informed to us, the Company has undertaken event/action having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

Sandeep Joshi
Practicing Company Secretary
ACS - 34701, C.P. No. -20884
Date: 08th September, 2020
Place: Ghaziabad
UDIN: A034701B000682744



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ANNEXURE-A'

To,
The Members,
A F ENTERPRISES LIMITED
DSM-334, DLF Towers Shivaji Marg,
Delhi Central Delhi DL 110015
CIN No.: L18100DL1983PLC016354

Our report of even date is to be read along with this letter:

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these Secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not yet verified the correctness and appropriateness of financial records and Books of account of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Sandeep Joshi
Practicing Company Secretary
ACS - 34701, C.P. No. -20884
Date: 08th September, 2020
Place: Ghaziabad
UDIN: A034701B000682744

Annexure - 2



LIMITED

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CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS
(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members,
A F ENTERPRISES LIMITED
DSM-334, DLF Towers Shivaji Marg,
Delhi Central Delhi DL 110015
CIN No.: L18100DL1983PLC016354

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of A F ENTERPRISES LIMITED having CIN L18100DL1983PLC016354 and having registered office at DSM-334, DLF Towers Shivaji Marg, Delhi Central Delhi DL 110015 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10 (i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2020 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1.	SANTOSH KUMAR KUSHAWAHA	02994228	30/05/2019
2.	ABHISHEK SINGH	03603706	04/09/2015
3.	TINKU KATHURIA	08699650	14/02/2019
4.	PRERNA SETHI	01228934	14/08/2019

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Sandeep Joshi
Practicing Company Secretary
ACS - 34701, C.P. No. -20884
Date: 08th September, 2020
Place: Ghaziabad
UDIN: A034701B000682766

ANNEXURE “C”

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part “A”: Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs.)
Company does not have any subsidiary/ associate companies/ joint ventures.

Sl. No.	Particulars	Details
1.	Name of the subsidiary	NA
2.	Reporting period for the subsidiary concerned, if different from the holding company’s reporting period	NA
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	NA
4.	Share capital	-
5.	Reserves & surplus	-
6.	Total assets	-
7.	Total Liabilities	-
8.	Investments	-
9.	Turnover	-
10.	Profit before taxation	=
11.	Provision for taxation	-
12.	Profit after taxation	-
13.	Proposed Dividend	NA
14.	% of shareholding	NA

Notes: The following information shall be furnished at the end of the statement:

- Names of subsidiaries which are yet to commence operations
- Names of subsidiaries which have been liquidated or sold during the year.



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Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of associates/Joint Ventures				
1. Latest audited Balance Sheet Date				
2. Shares of Associate/Joint Ventures held by the company on the year end				
No.				
Amount of Investment in Associates/Joint Venture			N.A	
Extend of Holding%				
3. Description of how there is significant influence				
4. Reason why the associate/joint venture is not consolidated				
5. Net worth attributable to shareholding as per latest audited Balance Sheet			N.A	
6. Profit/Loss for the year				
i. Considered in Consolidation				
ii. Not Considered in Consolidation				

1. Names of associates or joint ventures which are yet to commence operations.

2. Names of associates or joint ventures which have been liquidated or sold during the year.

Note: This Form is to be certified in the same manner in which the Balance Sheet is to be certified.

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

During the year under review, the Company has not entered into any related party transaction falling under sub-section (1) of Section 188 of the Companies Act, 2013

1. Details of contracts or arrangements or transactions not at arm's length basis: N.A

- (a) Name(s) of the related party and nature of relationship
- (b) Nature of contracts/arrangements/transactions
- (c) Duration of the contracts / arrangements/transactions
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any
- (e) Justification for entering into such contracts or arrangements or transactions
- (f) Date(s) of approval by the Board
- (g) Amount paid as advances, if any:
- (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188

2. Details of material contracts or arrangement or transactions at arm's length basis: N.A

- (a) Name(s) of the related party and nature of relationship
- (b) Nature of contracts/arrangements/transactions
- (c) Duration of the contracts / arrangements/transactions
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any:
- (e) Date(s) of approval by the Board, if any:
- (f) Amount paid as advances, if any:

ANNEXURE “E”

PARTICULARS OF EMPLOYEES

Information required with respect to Section 197(12) of the Companies Act, 2013 Read With Rule 5(1) Of The Companies (Appointment And Remuneration Of Managerial Personnel) Rules, 2014

- (i) The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year under review

Name of Director/ KMP	Remuneration (In Rs.)	Ratio of Directors Remuneration to Median Remuneration	Percentage Increase in Remuneration
Abhishek Singh (Managing Director)	3,60,000	6:1	Nil

- (ii) The Median Remuneration of Employees is Rs. 35,000.
(iii) The Company has 20 Employees on the rolls of Company as on 31st March, 2020.
(iv) During the Year 2019-20, there was no increase in the salary of Employees.
(v) Affirmation that the remuneration is as per the remuneration policy of the Company.

The Company affirms that the remuneration is as per the remuneration policy of the Company.

Information required with respect to Section 197(12) of the Companies Act, 2013 Read With Rule 5(2) Of The Companies (Appointment And Remuneration Of Managerial Personnel) Rules, 2014

None of the employee drawn remuneration more than of Rs. 1 Crore 2 Lakh per annum or Rs. 8.50 Lakh per month if any part of the year. Hence the provision of Section 197(12) of the Companies Act, 2013 read with Rule 5(2) of The Companies (Appointment And Remuneration Of Managerial Personnel) Rules, 2014 are not applicable for the period under review.



MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Economic Outlook

India has emerged as the fastest growing major economy in the world as per the Central Statistics Organisation (CSO) and International Monetary Fund (IMF). The Government of India has forecasted that the Indian economy will grow by 7.1 per cent in FY 2017-18. As per the Economic Survey 2016-17, the Indian economy should grow between 6.75 and 7.5 per cent in FY 2017-18. The improvement in India's economic fundamentals has accelerated in the year 2016 with the combined impact of strong government reforms, Reserve Bank of India's (RBI) inflation focus supported by benign global commodity prices.

India's gross domestic product (GDP) grew by 7 per cent year-on-year in October-December 2017 quarter, which is the strongest among G-20 countries, as per Organisation for Economic Co-operation and Development (OECD) Economic Survey of India, 2018.

According to IMF World Economic Outlook Update (January 2018), Indian economy is expected to grow at 7.2 per cent during FY 2017-18 and further accelerate to 7.7 per cent during FY 2018-19.

Opportunities, Threats & Risks

The Company is mainly exposed to market risk (including liquidity risk), interest risk and credit risk. However prudent business and risk management practices followed by the company over the years helps it to manage normal industry risk factors, which inter alia includes economic/ business cycle, fluctuations in the stock prices in the market, besides the interest rate volatility, and credit risk. The Company is confident of managing these risks by observing a conservative financial profile in investment and trading of securities business. The sheer unpredictable nature of the markets makes investments a risky proposition. An investment company has to live with the fear of falling markets and movement of the SENSEX. However, the Company hopes to improve its performance on the strength of its long experience and its strong emphasis on the fundamentals. Your management has got ample exposure of the capital markets, which provide us an opportunity to make safer and profitable investments with minimum risks.

Internal Control Systems

The Company has an Internal Control System which is commensurate with the size, scale and complexity of its operations. The Internal Auditors monitor the efficiency and efficacy of the internal control systems in the Company, compliance with operating systems/accounting procedures and policies of the Company. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board. The Company has adequate systems and procedures to provide assurance of recording transactions in all material respects. During the year, Mr. Anil Kumar, Partner, M/s AKNS & Company, Chartered Accountants, Delhi, reviewed the adequacy and operating effectiveness of the internal financial controls as per Section 134 (5) of the Companies Act, 2013 by covering the following broad areas:

- i. Material level assessment
- ii. Entity level assessment

iii. Risk Control Matrix covering major processes and developing controls Internal audit and compliance.

The Company conducts its internal audit and compliance functions within the parameters of regulatory framework which is well commensurate with the size, scale and complexity of operations. The internal controls and compliance functions are installed, evolved, reviewed, and upgraded periodically. The Company has appointed, Mr. Anil Kumar, Partner, M/s AKNS & Company, Chartered Accountants, Delhi, to conduct internal audit covering all areas of operations including branches. The reports are placed before the Audit Committee of the Board.

The Audit Committee reviews the performance of the audit and compliance functions, the effectiveness of controls and compliance with regulatory guidelines and gives such directions to the Management as necessary / considered appropriate. The Company has framed a compliance policy to effectively monitor and supervise the compliance function in accordance with the statutory requirements.

Human Resources

Human Resource is the most vital factor to achieve the goals of any organization. Being a progressive organization, A F Enterprises Limited firmly believes in the strength of its most vital asset. The company recognizes the importance of human value and ensures that encouragement both moral and financial is extended to each individual for motivating them to perform to the maximum capacity, to contribute towards developing and achieving individual excellence and departmental objectives and continuously improve performance to realize the full potential of our personnel. The company Industrial relations are cordial and satisfactory during the year under review.

Cautionary Note

Certain statements in this Report may be forward-looking and are stated as may be required by applicable laws and regulations. Many factors may affect the actual results, which could be different from what the Directors envisage in terms of future performance and outlook. Your Company does not undertake to update these statements.

Acknowledgement

Your directors take this opportunity to place on record their appreciation to all employees for their hard work, spirited efforts, dedication and loyalty to the Company which helped the Company for maintain its growth. Your Directors also wish to place on record their sincere thanks and appreciation for the continuing support and unstinting efforts of investors, vendors, dealers, business associates and employees in ensuring an excellent all around operational performance.



Independent Auditor’s Report

To
The members of
AF ENTERPRISES LIMITED

Report on the Audit of Financial Statements

Opinion

We have audited the accompanying financial statements of AF ENTERPRISES LIMITED (“the Company”), which comprise the balance sheet as at 31st March 2020, the statement of profit and loss, statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereby referred as ‘the financial statements’).

In our opinion and to the best of our information and explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (“the Act”) in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at 31st March, 2020, and the net profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the ‘Auditor’s Responsibilities for the Audit of the Financial Statements’ section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules there under, and we have fulfilled our ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidences we have obtained are sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described hereunder to be key audit matters to be communicated in our report.

Key audit matters	Auditor’s response
<p><u>Measurement of Revenue</u></p> <p>As per new notified Ind AS 115, measurement of revenue to be made on transaction price.</p>	<p>Our audit procedure inter- alia included the following-</p> <ul style="list-style-type: none">• We used assessment of overall control environment relevant for measurement of revenue.• We performed testing of journal entries, with particular focus on manual adjustment to revenue account, to mitigate the risk of manipulation of revenue and profit figures.



Information other than the financial statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statement does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Financial Statements

The Company's board of directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the AS and the other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that are operating effectively for insuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatements, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain a reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise due to fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- (i) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.



AF ENTERPRISES LIMITED

- (ii) Obtain an understanding of the internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- (iii) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- (iv) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained upto the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- (v) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statement, individually or in aggregate, makes it probable that the economic decision of reasonable knowledgeable user of the financial statement may be influenced.

We consider quantitative materiality and qualitative factors in (i) Planning the scope of our audit work and in evaluating the results of our work; and, (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonable be thought to bear on our independence, and where applicable, relevant safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, or when in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonable be expected to outweigh the public interest benefits of such communication.

Other Matters

We draw your attention to Note 33 of the financial statement which explains the uncertainties and management's assessment of the financial impact due to the lockdown/ restrictions related to COVID-19 pandemic imposed by the Government for which definitive assessment of the impact is dependent upon the future economic conditions. Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ('the Order'), as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the



AF ENTERPRISES LIMITED

Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the order, to the extent applicable.

2. As required by Section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c. the Balance Sheet, the Statement of Profit and Loss, statement of changes in equity and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d. In our opinion, the aforesaid financial statements comply with the Indian accounting standards specified under Section 133 of the Act;
 - e. On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **Annexure-B**. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact, if any of pending litigations on its financial position, in its financial statements (Note 32).
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses. (Refer Note 34)
 - iii. The Company is not required to transfer any amount to the Investor Education and Protection Fund. (Refer Note 35)

FOR V.N. PUROHIT & CO.
Chartered Accountants
Firm Regn. No. 304040E

O.P. Pareek
Partner
Membership No. 014238
UDIN: 20014238AAAAEG7264

New Delhi, the 31st day of July 2020



AF ENTERPRISES LIMITED

ANNEXURE- A TO THE AUDITOR'S REPORT

The Annexure referred to in Paragraph 1 under the heading of "Report on other Legal and Regulatory Requirements" of our report of even date to the members of **AF Enterprises Limited**(the Company) for the year ended on 31st March 2020.

- (i) (a) As per information and explanation given to us, the Company is maintaining proper records showing full disclosures of the fixed assets;
- (b) As per information and explanation given to us, physical verification of fixed assets has been conducted once in a year by the management and no material discrepancies were noticed during the course of verification;
- (c) According to information and explanation given to us, the company does not hold any immovable property during the period dealt with by this report;
- (ii) As per information and explanation given to us, physical verification of inventory has been conducted once in a year by the management and no material discrepancies were noticed during the course of verification;
- (iii) According to information and explanations given to us, the Company has granted loan to parties covered in register maintained under section 189 of the Companies Act, 2013 and;
- (a) According to the information and explanations given to us, unsecured loan has been granted by the Company. The terms and conditions of the granting of such loan is not prima facie prejudicial to the Company's interest;
- (b) According to the information and explanations given to us, the unsecured loan is repayable on demand and receipt of principal and interest thereupon are regular as per stipulation;
- (c) According to the information and explanation given to us, no amount is overdue in respect of unsecured loan so granted as per stipulation.
- (iv) According to information and explanations given to us, the Company has complied with the provisions of Section 185 and Section 186 of Companies Act, 2013 to the extent applicable in respect of loans, advances, guarantees and securities so given;
- (v) According to information and explanations given to us, the Company has not accepted public deposits and the provision of section 73 to 76 or other relevant provisions of the Companies Act, 2013 and rules framed thereunder are not applicable to the Company;
- (vi) According to information and explanations given to us, the Company is not liable to maintain cost records as prescribed under section 148(1) of the Companies Act, 2013;
- (vii) (a) According to information and explanations given to us, the company is generally regular in depositing undisputed statutory dues including income-tax and any other applicable statutory dues to the appropriate authorities and there are no outstanding statutory dues as on the last day of the financial year concerned for a period of more than six months from the date they became payable *except the following*;

<i>Name of Statute</i>	<i>Name of Statutory Due</i>	<i>Amount (Rupees)</i>
Income Tax Act, 1961	x deducted at Source U/s 192	4,619
	x deducted at Source U/s 194-I	8,600
	x Collected at Source u/s 206C	46,390



AF ENTERPRISES LIMITED

- (b) According to information and explanations given to us, there are no outstanding statutory dues on the part of Company which is not deposited on account of dispute;
- (viii) According to information and explanations given to us, the company has not defaulted in repayment of any loans and borrowings from any financial institution, bank, government or dues to debenture holder *except as indicated hereunder*;

<i>Name of Lender</i>	<i>Period of Default</i>	<i>Amount of Default</i>
<i>Axis Bank Ltd.</i>	<i>January, 2020 to March, 2020</i>	<i>88,722</i>
<i>HDFC Bank Ltd.</i>	<i>January, 2020 to March, 2020</i>	<i>87,627</i>

- (ix) According to information and explanations given to us, the Company has not raised money by way of initial public offer or further public offer. The Company has applied term loans for the purpose for which they were obtained;
- (x) According to information and explanations given to us, there is no noticed or unreported fraud on or by the Company during the year under audit;
- (xi) According to information and explanations given to us, the Company has paid managerial remuneration in accordance with applicable provisions of the Companies Act, 2013
- (xii) As per information, the Company is not a Nidhi Company, hence provisions of sub- clause (xii) of the Paragraph 3 of the Order are not applicable;
- (xiii) According to information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 wherever applicable and the details have been disclosed in the financial statements etc., as required by the applicable Indian accounting standards;
- (xiv) According to information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review;
- (xv) According to information and explanations given to us, the Company has not entered into non- cash transactions with directors or persons connected with him;
- (xvi) According to information and explanations given to us, the Company is not a Non- Banking Financial Company and does not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

Signed for the purpose of identification

FOR V.N. PUROHIT & CO.
Chartered Accountants
Firm Regn. No. 304040E

O.P. Pareek
Partner
Membership No. 014238
UDIN: 20014238AAAAEG7264

New Delhi, the 31st day of July 2020



ANNEXURE- B TO THE AUDITOR'S REPORT

Report on the Internal Financial Controls under Clause (i) of Sub- section (3) of Section 143 of the Companies Act, 2013

We have audited the internal financial controls over financial reporting of **AF ENTERPRISES LIMITED** as on 31st March 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for the Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Control over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of fraud and errors, the accuracy and completeness of accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the Guidance Note) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013 to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material aspects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial control system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidences we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.



Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that: -

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and the receipt and expenditures of the Company are being only in accordance with authorizations of management and directors of the Company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and could not be detected. Also, projections of any evaluation of the internal financial control over financial reporting to future periods are subject to the risk that the internal financial controls over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material aspects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2020, based on "the internal financial controls over financial reporting criteria considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India".

FOR V.N. PUROHIT & CO.
Chartered Accountants
Firm Regn. No. 304040E

O.P. Pareek
Partner
Membership No. 014238
UDIN: 20014238AAAAEG7264

New Delhi, the 31st day of July 2020

**AF ENTERPRISES LIMITED****AF ENTERPRISES LIMITED**

CIN : L18100DL1983PLC016354

BALANCE SHEET AS AT 31ST MARCH 2020

		(Rs. in '000')	
		As at	As at
	Notes	31st March 2020	31st March 2019
ASSETS			
Non- current assets			
Property, plant and equipment	3	64,577.20	2,111.24
Financial assets			
Loans	4	27,492.09	28,342.67
Deferred tax assets (net)	5	6,736.50	8,527.07
Other non current assets	6	25.40	19.50
Current Assets			
Inventories	7	66,223.20	87,018.49
Financial assets			
Trade receivables	8	7,50,402.78	2,41,854.86
Cash and cash equivalents	9	77.77	2,986.71
Loans	10	-	120.00
Other current assets	11	55,601.70	7,234.59
Total		9,71,136.64	3,78,215.11
EQUITY AND LIABILITIES			
Equity			
Equity share capital	12	40,000.00	40,000.00
Other equity	13	(379.85)	(17,699.79)
Liabilities			
Non- current liabilities			
Financial liabilities			
Borrowings	14	20,274.83	6,604.09
Other financial liabilities	15	9,940.90	-
Current liabilities			
Financial liabilities			
Trade payables			
Outstanding dues of creditors other than micro enterprises and small enterprises	16	7,41,070.09	3,09,258.13
Other financial liabilities	17	2,750.65	666.17
Other current liabilities	18	1,54,337.93	38,542.70
Current tax liabilities (net)		3,142.08	843.82
Total		9,71,136.64	3,78,215.11
Notes to the financial statements	1-39		

The accompanying notes are an integral part of the financial statements.
As per our report of even date

FOR V.N. PUROHIT & CO.
Chartered Accountants
Firm Regn. No. 304040E

For and on behalf of the Board of Directors of
AF ENTERPRISES LIMITED

O. P. Pareek
Partner
Membership No. 014238
UDIN: 20014238AAAAEG7264

Abhishek Singh
Director & CFO
DIN: 03603706

Santosh Kumar Kushwaha
Director
DIN: 02994228

New Delhi, the 31st day of July, 2020

**AF ENTERPRISES LIMITED****AF ENTERPRISES LIMITED**

CIN : L18100DL1983PLC016354

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON 31ST MARCH 2020

		(Rs. in '000')	
	Notes	For the year ended on 31st March 2020	For the period ended on 31st March 2019
REVENUE			
Revenue from operations	19	5,40,106.00	3,21,967.34
Other income	20	54,177.37	8,704.33
Total revenue (I)		5,94,283.37	3,30,671.66
EXPENSES			
Cost of materials consumed	21	3,89,593.05	-
Purchase of stock in trade	22	33,688.32	2,82,366.39
Changes in inventories of stock in trade	23	24,052.93	19,267.89
Operating costs	24	50,443.23	8,184.98
Employee benefits expense	25	5,879.59	867.29
Finance cost	26	1,150.35	238.93
Depreciation expenses	3	23,572.06	839.62
Other expenses	27	46,793.32	14,017.37
Total expenses (II)		5,75,172.86	3,25,782.47
Profit/ (loss) before exceptional items and tax (I-II)		19,110.51	4,889.19
Exceptional items		-	-
Profit/ (loss) before tax		19,110.51	4,889.19
Tax expense			
Current tax		(3,189.93)	(929.91)
MAT tax		3,189.93	943.65
Deferred tax		(1,790.56)	171.90
Profit/ (loss) after tax (III)		17,319.94	5,074.83
OTHER COMPREHENSIVE INCOME			
Total Other Comprehensive Income (IV)		-	-
Total Comprehensive Income (III+IV)		17,319.94	5,074.83
Earning per equity share (EPS)			
[nominal value of share Rs. 10]			
Basic (in Rs.)		4.33	1.27
Diluted (in Rs.)		4.33	1.27

Notes to the financial statements

1-39

The accompanying notes are an integral part of the financial statements.
As per our report of even date

FOR V.N. PUROHIT & CO.
Chartered Accountants
Firm Regn. No. 304040E

For and on behalf of the Board of Directors of
AF ENTERPRISES LIMITED

O. P. Pareek
Partner
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Abhishek Singh
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Director
DIN: 02994228

New Delhi, the 31st day of July, 2020

**AF ENTERPRISES LIMITED****AF ENTERPRISES LIMITED**

CIN : L18100DL1983PLC016354

CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH 2020

	(Rs. in '000')	
	For the year ended on 31st March 2020	For the period ended on 31st March 2019
CASH FLOW FROM OPERATING ACTIVITIES		
Net profit/ (loss) before tax and after extra- ordinary items	19,110.51	4,889.19
Adjustments for items: -		
Derecognition of financial assets	3,479.92	(74.15)
Loss on sale of property, plant & equipment	-	66.31
Interest paid	1,150.35	238.93
Interest received	(36.24)	(339.05)
Depreciation on Property, plant & equipment	23,572.06	839.62
Operating Profit before working capital changes	47,276.59	5,620.86
Working capital adjustments: -		
(Increase)/ decrease in trade receivables	(5,08,547.92)	(2,00,383.55)
(Increase)/ decrease in Inventories	20,795.28	19,267.89
(Increase)/ decrease in Other financial assets	-	(3,155.32)
(Increase)/ decrease in Other assets	(45,183.08)	(5,870.86)
Increase/ (decrease) in Current borrowings	-	(50.00)
Increase/ (decrease) in Trade payables	4,28,332.05	1,86,913.53
Increase/ (decrease) in Other liabilities	1,27,820.61	(167.49)
Cash generated from operations	70,493.53	2,175.05
Direct taxes paid	(891.66)	(33.90)
Net cash flow from operating activities (A)	69,601.86	2,141.15
CASH FLOW FROM INVESTING ACTIVITIES		
Sale/ (Purchase) of Property, plant & equipment	(86,038.02)	4.95
Loans recovered	970.58	-
Interest received	36.24	339.05
Net cash flow from investing activities (B)	(85,031.20)	344.00
CASH FLOW FROM FINANCING ACTIVITIES		
Interest paid	(1,150.35)	(238.93)
Net proceeds from borrowings	13,670.74	576.90
Net cash flow from financing activities (C)	12,520.39	337.96
Net cash flow during the year (A + B + C)	(2,908.94)	2,823.12
Add: Opening cash and cash equivalents	2,986.71	163.59
Closing cash and cash equivalents	77.77	2,986.71
Components of cash and cash equivalents		
Cash on hand	76.47	637.79
Balances with banks in current accounts	1.30	2,348.92
Total cash and cash equivalents (Note 9)	77.77	2,986.71

The accompanying notes are an integral part of the financial statements.

As per our report of even date
FOR V.N. PUROHIT & CO.
Chartered Accountants
Firm Regn. No. 304040E

For and on behalf of the Board of Directors of
AF ENTERPRISES LIMITED

O. P. Pareek
Partner
Membership No. 014238
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Abhishek Singh
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DIN: 02994228

New Delhi, the 31st day of July, 2020

**AF ENTERPRISES LIMITED****AF ENTERPRISES LIMITED**

CIN : L18100DL1983PLC016354

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED ON 31ST MARCH 2020

A. Equity Share Capital*(Rs. in '000')*

Balance as at 1st April 2018	Changes in equity share capital during the year	Balance as at 31st March 2019
40,000.00	-	40,000.00
Balance as at 1st April 2019	Changes in equity share capital during the year	Balance as at 31st March 2020
40,000.00	-	40,000.00

B. Other Equity*(Rs. in '000')*

Particulars	Reserve & Surplus	Total
	Retained Earnings	
Balance as at 1st April 2018	(22,774.62)	(22,774.62)
Profit for the year	5,074.83	5,074.83
Total Comprehensive Income	5,074.83	5,074.83
Balance as at 31st March 2019	(17,699.79)	(17,699.79)
Balance as at 1st April 2019	(17,699.79)	(17,699.79)
Profit for the year	(17,699.79)	(17,699.79)
Total Comprehensive Income	(17,699.79)	(17,699.79)
Balance as at 31st March 2020	(35,399.58)	(35,399.58)

FOR V.N. PUROHIT & CO.
Chartered Accountants
Firm Regn. No. 304040E

For and on behalf of the Board of Directors of
AF ENTERPRISES LIMITED

O. P. Pareek
Partner
Membership No. 014238
UDIN: 20014238AAAEG7264

Abhishek Singh
Director & CFO
DIN: 03603706

Santosh Kumar Kushwaha
Director
DIN: 02994228

New Delhi, the 31st day of July, 2020



AF ENTERPRISES LIMITED

AF ENTERPRISES LIMITED

CIN : L18100DL1983PLC016354

NOTES TO THE FINANCIAL STATEMENTS

3. Property, plant and equipment

	As at 31st March 2020 (Rupees)	(Rs. in '000') As at 31st March 2019 (Rupees)
Carrying amount:		
Building Premises (ROU Asset) (Note 3.2)	9,237.71	-
Plant & Machinery	46,830.51	-
Furniture & fixtures	3,823.82	126.00
Vehicles	4,416.21	1,958.87
Office Equipment	50.88	23.31
Computers & peripherals	218.07	3.05
Total	64,577.20	2,111.24

	(Rs. in '000')						
	Building Premises	Plant & Machinery	Furniture & fixtures	Vehicles	Office Equipment	Computers & peripherals	Total
Cost or Deemed Cost :							
Balance as at 1st April 2018	-	-	-	4,080.37	50.50	82.79	4,213.66
Additions during the year	-	-	126.00	10.18	20.87	-	157.05
Assets disposal/ written off during the year	-	-	-	(450.00)	-	-	(450.00)
Balance as at 31st March 2019	-	-	126.00	3,640.55	71.37	82.79	3,920.71
Additions during the year	13,477.10	63,569.07	4,558.51	4,000.00	59.02	374.32	86,038.02
Balance as at 31st March 2020	13,477.10	63,569.07	4,684.51	7,640.55	130.39	457.12	89,958.72
Accumulated Depreciation :							
Balance as at 1st April 2018	-	-	-	1,088.10	28.93	74.51	1,191.53
Charge for the year	-	-	-	815.26	19.13	5.23	839.62
Adjusted on assets disposed/ written off	-	-	-	(221.69)	-	-	(221.69)
Balance as at 31st March 2019	-	-	-	1,681.67	48.05	79.74	1,809.47
Charge for the year	4,239.38	16,738.56	860.69	1,542.67	31.45	159.30	23,572.06
Balance as at 31st March 2020	4,239.38	16,738.56	860.69	3,224.34	79.51	239.05	25,381.53
Carrying amount :							
Balance as at 31st March 2019	-	-	126.00	1,958.87	23.31	3.05	2,111.24
Balance as at 31st March 2020	9,237.71	46,830.51	3,823.82	4,416.21	50.88	218.07	64,577.20

3.1 All the above property, plant & equipment are owned by the company.

3.2 Effective from 1st April, 2019, the Company adopted Ind AS 116 Leases and applied the same to all lease contracts existing on 1st April, 2019 using the modified retrospective approach with Right of Use asset recognized at an amount equal to the adjusted lease liability. As a result, comparatives for the year ended 31st March, 2019 have not been retrospectively adjusted. Accordingly, the Company recognises office premises as Right of Use asset representing its right to use the said office premises for the contracted lease term.



AF ENTERPRISES LIMITED

AF ENTERPRISES LIMITED

CIN : L18100DL1983PLC016354

NOTES TO THE FINANCIAL STATEMENTS

4. Loans : non-current		<i>(Rs. in '000')</i>
	As at 31st March 2020	As at 31st March 2019
<u>Considered good - unsecured</u>		
Loans to: -		
- Body corporate	16,479.50	16,126.79
- Others	11,012.58	12,215.88
	<u>27,492.09</u>	<u>28,342.67</u>

5. Deferred tax assets (net)		<i>(Rs. in '000')</i>
	As at 31st March 2020	As at 31st March 2019
At the start of the year	8,527.07	8,355.17
(Charge)/ credit to statement of profit and loss	(1,790.56)	171.90
At the end of year	<u>6,736.50</u>	<u>8,527.07</u>

5.1 Deferred tax asset is recognized to the extent it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized.

5.2 The tax effect of significant timing differences that has resulted in deferred tax assets are given below:-

Particulars	For the year ended on 31st March 2020 (Rs. in '000')			
	As at 1st April, 2019	Recognized in profit and loss	Recognized in OCI	As at 31st March, 2020
Property, plant and equipment	172.26	(317.08)	-	(144.82)
Losses carried forward under the Income Tax Act, 1961	8,354.81	(1,656.32)	-	6,698.49
Others	-	182.83	-	182.83
Total	8,527.07	(1,790.56)	-	6,736.50

Particulars	For the year ended on 31st March 2019 (Rs. in '000')			
	As at 1st April, 2018	Recognized in profit and loss	Recognized in OCI	As at 31st March, 2019
Property, plant and equipment	109.24	63.02	-	172.26
Losses carried forward under the Income Tax Act, 1961	8,245.93	108.88	-	8,354.81
Total	8,355.17	171.90	-	8,527.07

6. Other non current assets		<i>(Rs. in '000')</i>
	As at 31st March 2020	As at 31st March 2019
Security deposit	25.40	19.50
	<u>25.40</u>	<u>19.50</u>

7. Inventories		<i>(Rs. in '000')</i>
	As at 31st March 2020	As at 31st March 2019
<u>Stock in trade</u>		
- Quoted Shares and Securities (at fair value)	472.37	545.66
- Emerald Stone	62,138.86	86,365.57
- Sunglasses	107.25	107.25
- Others	247.07	-
<u>Raw Materials</u>		
- Plastic moulded components	3,257.65	-
	<u>66,223.20</u>	<u>87,018.49</u>

8. Trade receivables: current		<i>(Rs. in '000')</i>
	As at 31st March 2020	As at 31st March 2019
Considered good - unsecured	7,50,402.78	2,41,854.86
	<u>7,50,402.78</u>	<u>2,41,854.86</u>



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9. Cash and cash equivalents					<i>(Rs. in '000')</i>
		As at 31st March 2020		As at 31st March 2019	
Cash on hand (as certified)		76.47		637.79	
Balances with banks in current accounts		1.30		2,348.92	
		<u>77.77</u>		<u>2,986.71</u>	
10. Loans: current					<i>(Rs. in '000')</i>
		As at 31st March 2020		As at 31st March 2019	
<u>Considered good - unsecured</u>					
Loan to body corporate		-		120.00	
		<u>-</u>		<u>120.00</u>	
11. Other current assets					<i>(Rs. in '000')</i>
		As at 31st March 2020		As at 31st March 2019	
Input credit of GST		41,232.15		1,019.99	
Balances with revenue authorities		1,702.32		2,481.80	
MAT credit entitlement		3,189.93		943.65	
Advance to suppliers		9,477.30		2,750.70	
Prepaid expenses		-		38.44	
		<u>55,601.70</u>		<u>7,234.59</u>	
12. Equity share capital					
		As at 31st March 2020		As at 31st March 2019	
		Nos.	(Rs. in '000')	Nos.	(Rs. in '000')
Authorized shares					
Equity shares of Rs. 10 each		45,00,000	45,000.00	45,00,000	45,000.00
Issued, subscribed and fully paid- up shares		<u>40,00,000</u>	<u>40,000.00</u>	<u>40,00,000</u>	<u>40,000.00</u>
12.1 Reconciliation of number of equity shares and amount outstanding					
		As at 31st March 2020		As at 31st March 2019	
		Nos.	(Rs. in '000')	Nos.	(Rs. in '000')
<u>Equity Shares</u>					
At the beginning of the period		40,00,000	40,000.00	40,00,000	40,000.00
Issued during the year		-	-	-	-
Total outstanding at the end of the period		<u>40,00,000</u>	<u>40,000.00</u>	<u>40,00,000</u>	<u>40,000.00</u>

12.2 Terms and rights attached to equity shares

The company has issued only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to vote per share. The company declares and pays dividend if any, in Indian Rupees. The dividend proposed by the Board of Directors is subject to approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all the preferential amount. The distribution will be in proportion to the number of equity shares held by the shareholders.

12.3 Details of shareholders holding more than 5% shares in the company :

		As at 31st March 2020		As at 31st March 2019	
		Nos.	% holding	Nos.	% holding
RMS Mosquito Private Ltd		8,07,600	20.19%	8,07,600	20.19%
		<u>8,07,600</u>	<u>20.19%</u>	<u>8,07,600</u>	<u>20.19%</u>

As per records, registers and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.



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13. Other equity		<i>(Rs. in '000')</i>
	As at 31st March 2020	As at 31st March 2019
<u>Retained earnings :</u>		
Opening balance	(17,699.79)	(22,774.62)
Add/ (less) : Profit/ (loss) for the year	17,319.94	5,074.83
Closing balance	<u>(379.85)</u>	<u>(17,699.79)</u>
	<u>(379.85)</u>	<u>(17,699.79)</u>
14. Borrowings: non-current		<i>(Rs. in '000')</i>
	As at 31st March 2020	As at 31st March 2019
Finance lease obligations (secured) (Note 14.1)	1,560.76	1,951.26
Loans from body corporate (unsecured)	19,315.00	5,200.00
Less: current portion t/f to other financial liabilities (note 17)	(600.93)	(547.17)
	<u>20,274.83</u>	<u>6,604.09</u>
14.1	Finance lease obligation reflects car loans obtained from Axis Bank Ltd and HDFC Bank Ltd. Loan of Rs. 14,00,000 has been obtained from Axis Bank Ltd. repayable in 60 Equated Monthly Installments of Rs. 29,574 whereas Rs. 14,06,761 has been obtained from HDFC Bank Ltd. repayable in 60 Equated Monthly installments of Rs. 29,209. Such loans are secured by hypothecation of respective vehicles.	
15. Other financial liabilities - non current		<i>(Rs. in '000')</i>
	As at 31st March 2020	As at 31st March 2019
Lease Liability (as per Ind AS 116) (Note 3.2)	9,940.90	-
	<u>9,940.90</u>	<u>-</u>
16. Trade payables: current		<i>(Rs. in '000')</i>
	As at 31st March 2020	As at 31st March 2019
- Outstanding dues of creditors other than micro enterprises and small enterprises (Note 16.1)	7,41,070.09	3,09,258.13
	<u>7,41,070.09</u>	<u>3,09,258.13</u>
16.1	There are no dues to Micro and Small Enterprises as defined under Micro, Small & Medium Enterprises Development Act, 2006 which are outstanding for a period more than 45 days as on the balance sheet date.	
	The above information regarding Micro and Small Enterprises has been determined on the basis of information available with the Company and has been duly relied upon by the auditors of the Company.	
17. Other financial liabilities: current		<i>(Rs. in '000')</i>
	As at 31st March 2020	As at 31st March 2019
Current maturities of finance lease obligations (refer note 14)	600.93	547.17
Expenses payable	2,149.72	118.99
	<u>2,750.65</u>	<u>666.17</u>
18. Other current liabilities		<i>(Rs. in '000')</i>
	As at 31st March 2020	As at 31st March 2019
Advance received from customers	1,50,799.40	38,449.33
TDS Payable	1,113.85	46.98
TCS payable	46.39	46.39
Payable to govt. authorities	328.27	-
Other payables	2,050.01	-
	<u>1,54,337.93</u>	<u>38,542.70</u>
19. Revenue from operation		<i>(Rs. in '000')</i>
	For the year ended on 31st March 2020	For the year ended on 31st March 2019
<u>Sale of products :</u>		
Plastic	5,03,133.06	-
Fabrics	3,070.89	2,51,562.14
Rough emerald	1,645.89	24,019.95
Glasses	-	34,955.71
Others	32,256.13	2,918.16
Sale of shares & securities	0.03	8,511.37
	<u>5,40,106.00</u>	<u>3,21,967.34</u>



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20. Other income		<i>(Rs. in '000')</i>
	For the year ended on 31st March 2020	For the year ended on 31st March 2019
Foreign exchange fluctuation - gain	47,255.70	-
Duty drawback	6,176.93	8,281.53
Discount received	699.90	-
Interest received on loans advanced	36.24	339.05
Miscellaneous income	8.60	7.20
Dividend	-	2.40
Liabilities written back	-	74.15
	<u>54,177.37</u>	<u>8,704.33</u>
21. Cost of materials consumed		<i>(Rs. in '000')</i>
	For the year ended on 31st March 2020	For the year ended on 31st March 2019
Opening stock of raw materials	-	-
Add: purchases during the year	3,92,850.70	-
Less: closing stock of raw materials	(3,257.65)	-
	<u>3,89,593.05</u>	<u>-</u>
22. Purchase of stock in trade		<i>(Rs. in '000')</i>
	For the year ended on 31st March 2020	For the year ended on 31st March 2019
Fabrics	3,030.00	2,34,335.08
Glasses	-	35,967.75
Others	30,658.30	2,792.78
Shares & securities	0.03	9,270.78
	<u>33,688.32</u>	<u>2,82,366.39</u>
23. Changes in inventories		<i>(Rs. in '000')</i>
	For the year ended on 31st March 2020	For the year ended on 31st March 2019
Opening balance of stock in trade	87,018.49	1,06,286.38
Closing balance of stock in trade	(62,965.55)	(87,018.49)
Changes in inventories of stock in trade	<u>24,052.93</u>	<u>19,267.89</u>
24. Operating Costs		<i>(Rs. in '000')</i>
	For the year ended on 31st March 2020	For the year ended on 31st March 2019
Wages	49,374.97	-
Fuel & power expenses	642.09	25.38
Consumables	388.02	-
Loading & freight	38.15	-
Freight on imports	-	6,023.43
Job work charges	-	2,003.63
Expenses on transactions in shares	-	132.55
	<u>50,443.23</u>	<u>8,184.98</u>
25. Employee benefits expense		<i>(Rs. in '000')</i>
	For the year ended on 31st March 2020	For the year ended on 31st March 2019
Director Remuneration (Note 28)	3.60	2.10
Salaries and allowances	5,233.80	865.19
Employer contribution to PF	189.50	-
Employer contribution to ESIC	42.51	-
Staff Welfare	410.18	-
	<u>5,879.59</u>	<u>867.29</u>



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26. Finance cost

	For the year ended on 31st March 2020	(Rs. in '000') For the year ended on 31st March 2019
Interest on lease liability (as per Ind AS 116) (Note 3.2)	991.81	-
Interest to banks	158.55	196.46
Interest to others	-	42.47
	<u>1,150.35</u>	<u>238.93</u>

27. Other expenses

	For the year ended on 31st March 2020	(Rs. in '000') For the year ended on 31st March 2019
Advertisement expenses	28,166.54	150.66
AGM expenses	49.60	-
Payment to statutory auditors (Note 31)	63.00	46.00
Bank charges	59.70	107.85
Bad debts written off	3,479.92	-
Commission	84.89	24.00
Conveyance expenses	245.96	21.05
Donation	53.00	-
Electricity and maintenance expenses	4,793.43	220.75
Foreign exchange fluctuation loss	-	11,399.67
Filing fees & subscription	212.04	40.57
Freight & cartage	4,654.16	-
Insurance charges	46.07	28.12
Interest and penalties	33.15	568.17
Legal & professional charges	1,050.39	257.00
Listing fees	-	250.00
Loss on sale of car	-	66.31
Miscellaneous expenses	435.86	73.36
Membership & registration fees	45.56	-
Office expenses	317.70	57.59
Printing & stationery	443.89	24.53
Product testing charges	59.42	-
Rent, rate & taxes	-	541.77
Repair & maintenance	1,316.80	30.51
RTA expenses	6.59	41.07
Security charges	762.29	-
Telephone expense	167.91	28.36
Vehicle running & maintenance	241.85	19.61
Water charges	3.61	20.40
	<u>46,793.32</u>	<u>14,017.37</u>

1. Corporate Information:

AF Enterprises Limited (the Company) is engaged in the business of trading in goods, shares and securities. The Company is listed on Bombay Stock Exchange (BSE) [Script code: AFEL].

2. Significant Accounting Policies:**(a) Statement of Compliance with Ind AS:**

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) specified under section 133 of the Companies Act, 2013, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015. The Company has uniformly applied the accounting policies during the periods presented.

The financial statements are presented in Indian Rupees (Rs.) which is also the functional currency of the company.

(b) Basis for preparation of financial statements:

The financial statements have been prepared on going concern basis in accordance with accounting principles generally accepted in India. Further, the financial statements have been prepared in historical cost basis except for certain financial assets and financial liabilities which are measured at fair values as explained in relevant the accounting policies.

(c) Use of Estimates:

The preparation of financial statements requires the management of the company to make estimates and assumptions that affect the reported amounts of assets and liabilities on the date of financial statements, disclosure of contingent liabilities as at the date of the financial statements, and the reported amounts of income and expenses during the reported period. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised.

(d) Significant Management judgement in applying accounting estimates:

Income taxes: Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions.

Impairment of investments: The carrying value of investments is reviewed at cost annually, or more frequently whenever, there is indication for impairment. If the recoverable amount is less than the carrying amount, the impairment loss is accounted for.

Provision: Provisions are recognized when the company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date adjusted to reflect the current best estimates.

Recognition of Deferred Tax Assets: The extent to which deferred tax assets can be recognised is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilized.

(e) Property, Plant and Equipment:

Properties, Plant & Equipment are stated at actual cost less accumulated depreciation and net

of impairment, if any. The actual cost capitalized includes material cost, freight, installation cost, duties and taxes, eligible borrowing costs and other incidental expenses incurred during the construction/installation stage.

Depreciable amount of an asset is the cost of an asset less its estimated residual value.

Depreciation on Property, Plant and Equipment, including assets taken on lease, other than freehold land is charged based on written down method on an estimated useful life as prescribed in Schedule II to the Companies Act, 2013.

Particulars of Property, Plant & Equipment	Useful life (in years)
Plant & Machinery (Tools & Dies)	8
Furniture & fixtures	10
Vehicles	8
Office Equipment	5
Computer	3

An item of Property, Plant and Equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment are determined as a difference between the sale proceeds and the carrying amount of the asset and is recognised in the statement of profit and loss.

At the end of each reporting period, the Company reviews the carrying amounts of tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss.

(f) Revenue recognition:

Effective 1st April, 2018, the Company has applied Ind AS 115 - Revenue from Contracts with Customers. Pursuant to adoption of Ind AS 115, Revenue from contracts with customers are recognized when the control over the goods or services promised in the contract are transferred to the customer. The amount of revenue recognized depicts the transfer of promised goods and services to customers for an amount that reflects the consideration to which the Company is entitled to in exchange for the goods or services.

Sale of goods: Revenue from sale of goods is recognised when control over such goods has been transferred, being when the goods are delivered to the customers. Delivery occurs when the products have been shipped or delivered to the specific location as the case may be, risks of loss have been transferred to the customers, and either the customer has accepted the goods in accordance with the sales contract or the acceptance provisions have lapsed or the Company has objective evidence that all criteria for acceptance have been satisfied. Revenue from these sales is recognized based on the price specified in the contract.

Dividend and interest income: Dividend income from investments is recognised when the shareholders' right to receive such amount has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably). Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably.

Other Income: In respect of other heads of income in the Company's accounts the income shall be recognised on accrual basis.

(g) Foreign currency transactions:

Foreign currency transactions are recorded in the functional currency, by applying the exchange rate between the functional and the foreign currency prevailing on date of transaction. Foreign currency denominated monetary assets and liabilities are restated into the functional currency using exchange rates prevailing on the date of Balance Sheet. Exchange differences arising on monetary items on settlement or restatement as at reporting date, at rates different from those at which they were initially recorded, are recognized in the Statement of Profit and Loss in the year in which they arise.

(h) Financial Instruments:**Financial Assets: -**

Recognition and initial measurement: - Financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transaction cost.

Subsequent measurement: -

Equity instrument and Mutual Fund: - All equity instrument and mutual funds within scope of IndAS 109 are measured at fair value. Equity instrument and Mutual fund which are held for trading are classified as at fair value through profit & loss (FVTPL). For all other equity instruments, the Company decided to classify them as at fair value through other comprehensive income (FVTOCI).

Debt instrument: - A 'debt instrument' is measured at the amortised cost if both the following conditions are met. The assets are held within a business model whose objective is to hold assets for collecting contractual cash flows, and contractual terms of the assets given rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. After initial measurement, such Financial Assets are subsequently measured at amortised cost using the effective interest rate (EIR) method.

De- recognition of Financial Assets:-A financial asset is primarily de-recognised when the rights to receive cash flows from the asset have expired or the Company has transferred its right to receive cash flow from the asset.

Financial Liabilities: -

Recognition and initial measurement: - All financial liabilities are recognised initially at fair value and transaction cost that is attributable to the acquisition of the financial liabilities is also adjusted. Financial liabilities are classified as amortised cost.

Subsequent measurement: -Subsequent to initial recognition, these liabilities are measured at amortised cost using the effective interest rate method.

De-recognition of Financial liabilities: -A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. Consequently, write back of unsettled credit balances is done on closure of the concerned project or earlier based on the previous experience of management and actual facts of each case and recognized in other operating revenues.

Further, when an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and

the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss.

Offsetting of financial instrument: -

Financial Assets and Financial Liabilities are offset and the net amount is reported in the Balance Sheet if there is currently enforceable legal right to offset the recognized amounts and there is an intention to settle on net basis, to realize the assets and settle the liabilities simultaneously.

(i) Impairment of Financial Assets

Equity instruments, Debt Instruments and Mutual Fund: -In accordance with Ind AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss for financial assets. Expected Credit Loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive.

Other Financial Assets: - The Company determines whether there has been a significant increase in the credit risk since initial recognition and if credit risk has increased significantly, impairment loss is provided.

(j) Inventories

Inventories (other than quoted shares and securities) are valued at cost or net realisable value, whichever is lower. Cost is determined on FIFO and includes cost of purchase and other costs incurred in bringing inventories to their present location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

(k) Cash & Cash equivalents

Cash and cash equivalents in the Balance Sheet comprise of cash at bank and on hand and short term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

(l) Taxation

Tax expense recognised in Statement of Profit and Loss comprises of current tax and deferred tax. Current tax is measured at the amount expected to be paid/recovered from the tax authorities, based on estimated tax liability computed after taking credit for allowances and exemption in accordance with Income Tax Act, 1961. Current and deferred tax are recognised in Statement of Profit and Loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the income taxes are recognised in other comprehensive income or directly in equity, respectively. Advance taxes and provisions for current income taxes are presented in the statement of financial position after off-setting advance tax paid and income tax provision.

Minimum Alternate Tax (MAT) credit entitlement is recognised as an asset only when and to the extent there is convincing evidence that normal income tax will be paid during the specified period. In the year in which MAT credit becomes eligible to be recognised as an asset, the said asset is created by way of a credit to the Statement of Profit and Loss and shown as MAT credit entitlement. This is reviewed at each balance sheet date and the carrying

amount of MAT credit entitlement is written down to the extent it is reasonably certain that normal income tax will be paid during the specified period.

Deferred tax is recognised on temporary differences arising between the carrying amount of assets and liabilities and the corresponding tax bases used in computation of taxable profit under Income Tax Act, 1961.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted. Deferred tax relating to items recognised outside Statement of Profit and Loss is recognised outside Statement of Profit and Loss (either in other comprehensive income or in equity).

(m) Earnings per share:

Basic earnings/ (loss) per share are calculated by dividing the net profit/ (loss) for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period are adjusted for any bonus shares issued during the period and also after the Balance Sheet date but before the date the financial statements are approved by the Board of Directors.

For the purpose of calculating diluted earnings/ (loss) per share, the net profit/ (loss) for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all potentially dilutive equity shares.

The number of equity shares and potentially dilutive equity shares are adjusted for bonus shares as appropriate. The dilutive potential equity shares are adjusted for the proceeds receivable, had the shares been issued at fair value. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date.

(n) Provision, Contingent Liabilities and Contingent Assets:

A provision is recognised when the company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent Assets and Contingent Liabilities are not recognized in the financial statements.

(o) Leases:

Ministry of Corporate Affairs (“MCA”) through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified Ind AS 116 Leases which replaces the existing lease standard, Ind AS 17 Leases and other interpretations. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lease accounting model for lessees.

The Company has adopted Ind AS 116, effective annual reporting period beginning April 1, 2019 and applied the standard to its leases using the modified retrospective approach whereby a lessee applies the new standard from the beginning of the current period. The lessee calculates the lease asset and lease liability as at the beginning of the current period and recognized an adjustment in equity at the beginning of the current period. Accordingly, a lessee will not restate its prior period financial information under this approach.

The Company has elected not to apply the requirements of Ind AS 116 Leases to short term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term.

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets are subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For leases with reasonably similar characteristics, the Company, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease liability is subsequently re-measured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and re-measuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments.

On application of Ind AS 116, the nature of expenses has changed from lease rent in previous periods to depreciation cost for the right-of-use asset, and finance cost for interest accrued on lease liability.

(p) Employee Benefits

Short-term Employee Benefits:-Liabilities for short-term employee benefits that are expected to be settled wholly within 12 months after the end of the period in which the

employees render the related service are recognized in respect of employee's services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

Post-Employment Benefits:-

Defined Contribution Plans

The Company has defined contribution plans in respect of PF & ESI which are accounted for as and when contribution payments are made.

28. Related Parties: -

As per IND AS 24, the disclosures of transactions with the related parties are given below:

- (i) List of related parties where control exists and also related parties with whom transactions have taken place and relationship:

(a)	Key Management Personnel	Mr. Santosh Kumar Kushwaha (Director) Ms. Purna Sethi (Director) Mr. Abhishek Singh (Director & CFO) Mr. Tinku Kathuria (Director) Ms. Bhawna (Past Company Secretary) Mr. Deepak Kumar (Past Director) Ms. Shweta Gupta (Past Director) Mr. Gaurav Kumar Pandey (Past Director) Mr. Neeraj Kumar Singh (Past CFO) Mr. Pawan Kumar Chugh (Past Director)
(b)	Relatives of Key Management Personnel	None
(c)	Enterprises owned or significantly influenced by the Key Management Personnel or their Relatives	RMS Mosquito Private Limited RDS Corporate Services Private Limited SNP Infosolutions LLP

- (ii) Following transactions are made with the related parties covered under Ind AS- 24 on "Related Parties Disclosure".

(Rs. in '000')

Transaction with	Nature of Transaction	Transactions during the year		Balance as on	
		31/03/2020	31/03/2019	31/03/2020	31/03/2019
<u>Key Management Personnel: -</u>					
Mr. Abhishek Singh	Salary	360.00	210.00	90.00	80.51
Mr. Deepak Kumar	Salary	Nil	Nil	Nil	26.44
Mr. Santosh Kumar Kushwaha	Advance received	1,959.00	Nil	1,959.00	Nil
<u>Relatives of Key Management Personnel: None</u>					
<u>Enterprises owned or significantly influenced by the Key Management Personnel or their Relatives:-</u>					

S Corporate Services Private Limited	an advanced	953.93	3,135.06	5,836.97	5,604.26
	an recovered	721.21	2,105.00	Nil	Nil
P Solutions LLP	vance received from customers	Nil	Nil	195.00	195.00

29. Segment Information:

The Company has identified five reportable segments viz., shares and securities, rough emerald, fabric, glasses and plastic molded components after taking into account the nature of product and services and the differing risk and returns on such products and services. The accounting policies adopted for segment reporting are in line with the accounting policy of the company with following additional policies for segment reporting: -

- (i) Revenue and expenses have been identified to a segment on the basis of relation to operating activities of the segment. Revenue and expenses that relates to enterprise as a whole and are not allocable to a segment on a reasonable basis have been disclosed as “Un-allocable”.
- (ii) Segment Assets and Segment Liabilities represent Assets and Liabilities in respective segments. Assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as “Un-allocable”.
- (iii) Segment Information:

Particulars	<i>(Rs. in '000')</i>	
	31st March 2020	31st March 2019
Segment Revenue: -		
Shares & securities	0.03	8,511.37
Rough emerald	1,645.89	24,019.95
Fabrics	3,070.89	2,51,562.14
Glasses	Nil	34,955.71
Plastic molded components	5,03,133.06	Nil
Total Revenue	5,07,849.87	3,19,049.18
Segment Results		
(Profit/ loss before interest and taxes)		
Shares & Securities	(73.29)	(891.96)
Rough Emerald	(22,580.82)	24,019.95
Fabrics	40.89	9,200.01
Glasses	Nil	(1,012.04)
Plastic molded components	1,13,540.01	Nil
Less: Interest	(1,150.35)	(238.93)
Less: Other Un-allocable expenditure (net)	(70,665.93)	(26,187.84)
Total Profit Before Taxes	19,110.51	4,889.19
Segment assets		
Shares & Securities	472.37	Nil

Rough Emerald	1,37,887.69	Nil
Fabrics	1,56,663.01	1,65,428.00
Glasses	107.25	16,559.00
Plastic molded components	4,92,110.06	Nil
Un-allocable	1,77,159.75	1,87,701.05
Total	9,64,400.13	3,69,688.05

Segment liabilities

Shares & Securities	434.95	3,182.00
Rough Emerald	Nil	Nil
Fabrics	3,67,753.73	2,29,528.00
Glasses	Nil	18,942.00
Plastic molded components	4,66,405.17	Nil
Un-allocable	76,647.80	97,658.81
Total	9,11,241.65	3,49,310.81

Capital employed

Shares & Securities	37.42	(3,182.00)
Rough Emerald	1,37,887.69	Nil
Fabrics	(2,11,090.72)	(64,100.00)
Glasses	107.25	(2,383.00)
Plastic molded components	25,704.89	Nil
Un-allocable	1,00,511.95	90,042.24
Total	53,158.48	20,377.24

(iv) Secondary Segment information: -

The Company does not have secondary segment division in respect of reportable segments.
(Rs. in '000')

30. Particulars	31/03/2020	31/03/2019
Expenditure in foreign currency	Nil	Nil
Earning/ Income in foreign currency	5,58,919.12	90,591.27

31. Break- up of payments made to statutory auditors (including taxes) are disclosed as under:

(Rs. in '000')

Particulars	31/03/2020	31/03/2019
In respect of statutory audit (including tax audit)	40.00	40.00
In respect of GST Audit	15.00	Nil
In respect of certification	8.00	6.00
TOTAL	63.00	46.00

32. Particulars	31/03/2020	31/03/2019
Contingent Liability not provided for	Nil	Nil
Pending litigations by/ against the Company	None	None

33. The outbreak of COVID-19 pandemic is causing significant disturbance and slowdown of economic activities globally. The nationwide lockdown ordered by the Government of India has resulted in significant reduction in economic activities and also the business operations of the Company in terms of sales and production. The management has considered the possible

effects that July result from the pandemic on the recoverability / carrying value of the assets. Based on the current indicators of future economic conditions, the management expects to recover the carrying amount of the assets, however the management will continue to closely monitor any material changes to future economic conditions. Given the uncertainties, the final impact on Company's assets in future may differ from that estimated as at the date of approval of these financial results.

34. The Company did not have any long- term contracts including derivative contracts for which there were any material foreseeable losses.
35. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
36. The financial statements were approved for issue by the Board of Directors on 31st day of July, 2020.
37. Previous year's figures have been re-arranged or re- grouped wherever consider necessary.
38. Figures have been rounded off to the nearest thousands of rupees.
39. Figures in brackets indicate negative (-) figures.

Signed for the purpose of identification
FOR V. N. PUROHIT & CO.
Chartered Accountants
Firm Regn. 304040E

For and on behalf of Board of Directors of
A F ENTERPRISES LIMITED

O. P. Pareek
Partner
Membership No. 014238
UDIN: 20014238AAAAEG7264

Abhishek Singh
Director
DIN: 03603706

Santosh Kumar Kushwaha
Director
DIN:02994228

New Delhi, the 31st day of July2020